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November 4, 2004

Mr. Jonathan Bishop
Executive Officer
California Regional Water Quality Control Board
Los Angeles Region
Suite 200
320 West Fourth Street
Los Angeles, CA 90013

Attention: Mr. David Hung, Chief Industrial Permitting Unit

Dear Mr. Bishop:

Subject: Request for Schedule to Submit Information to Comply with the 316(b) Phase II Rule (Rule)

The Los Angeles Department of Water and Power (LADWP) owns and operates three coastal generating stations, namely, Haynes Generating Station (HnGS), Harbor Generating Station (HGS), and Scattergood Generating Station (SGS), which are existing facilities as defined in EPA's 316(b) Phase II Rule (40CFR125.91). The current NPDES permit for SGS and HnGS expire on May 10, 2005, and the HGS permit expires on June 10, 2008. For permits that expire less than four years after the Rule was published on July 9, 2004 (that is, before July 9, 2008), the permittee may have up to three and half years to submit the information, so long as it is submitted "as expeditiously as practicable." The facility may have even longer, until the end of the permit term, under 40 CFR 122.21(d)(2)(i), if the permitting agency agrees. LADWP, therefore, requests a schedule for submitting the required 316(b) information no later than January 9, 2008. LADWP believes this date is as "expeditious as practicable" for the reasons stated in this letter.

The Rule requires a large amount of data to establish the "best technology available" for each facility's intake structure and to demonstrate compliance with the Rule. The new Rule requires detailed studies and other information to establish what intake structure technology or other measures will be used for compliance (40CFR125.95). LADWP believes, as outlined below, that it will need the full three and half years to conduct these studies and gather the necessary information.

LADWP began planning for 316(b) Rule compliance even before the Rule was finalized. In addition to reviewing the historical 316(b) studies, LADWP embarked on four different efforts. First, LADWP began gathering and evaluating impingement information at its HnGS and HGS facilities (SGS has an existing comprehensive database) on almost a daily basis, as opposed to the permit required information gathering in association with heat treatments. Second, in an effort to gather information that would better define and frame any future entrainment study, LADWP's consultant conducted eight-week long entrainment studies in the Spring of 2004. Third, LADWP retained a physical oceanographer to examine the historical 316(b) studies and identify what new studies, if any, would be needed to characterize the source water flow information (e.g., tides, currents, flow patterns, etc.) and the cooling water intake structure zone of influence. Lastly, LADWP has been working with the Electric Power Research Institute and their consultants to identify and evaluate the various impingement and entrainment (Im/E) technologies as they pertain to LADWP's facilities. Despite this early start, LADWP will need until January 9, 2008, to complete the necessary studies, collect the Rule-required information, assemble the data, and prepare the information submittals and the various required plans.

LADWP proposes the following approximate schedule:

• Publish a Request for Proposal (RFP)	January 2005
• Award a Contract	July 2005
• Submit the Proposal for Information Collection (PIC)	October 2005
• Initiate Im/E Characterization Study (pending Regional Board approval)	January 2006
• Assemble and Review Data (Im/E data, source water physical data, cooling water system data, cooling water intake structure data)	1st and 2nd quarter 2007
• Prepare Required Plans (Design and Construction Plan, Technology, Installation and Operation Plan, Restoration Plan (if needed), Verification Monitoring Plan)	3rd and 4th quarter 2007
• Submit Comprehensive Demonstration Study	January 9, 2008

LADWP is currently undergoing efforts to prepare the RFP. Once published, additional time will be needed to receive and evaluate the bids. Due to the government process required for evaluating and selecting a successful bidder, awarding a contract is a cumbersome and time-consuming process. LADWP believes that if an RFP can be published on or before the beginning of 2005, a contract can be awarded by mid-year 2005.

Preparing the PIC is a large undertaking, and based on our 316(b) stakeholder group, is an area of great interest to all. The PIC must contain the items listed in 40 CFR 125.95(b)(1), including a description of proposed and/or implemented technologies, operational measures, and/or restoration measures to be evaluated, a list and description of historical studies characterizing impingement mortality and entrainment and/or the physical and biological conditions in the vicinity of the cooling water intake structures and their relevance to the proposed study. For existing data, it must demonstrate the extent to which the data are representative of current conditions and that the data were collected using appropriate quality assurance/quality control procedures. The PIC must also include a summary of past or ongoing consultations with federal and state fish and wildlife agencies and a copy of their written comments, as well as a sampling plan for any new field studies describing all methods and quality assurance/quality control procedures for sampling and data analysis. [See 40CFR 125.95(a)(1), and 125.95(b)(1)] LADWP estimates it will need until October 2005 to provide the PIC.

LADWP envisions conducting a yearlong Im/E characterization study in 2006. LADWP also intends to utilize the historical 316(b) studies and any other relevant past or ongoing studies to provide a broader database to capture any cyclical environmental or biological variabilities. LADWP also hopes to coordinate, as possible, with other utilities to capture a broader Im/E perspective.

After completion of the Im/E characterization study, assembling data on the cooling system, the cooling water intake structures, the physical source water information, and from the Im/E characterization study, as well as any regionally or historically available information, is expected to take from three to six months. As you are aware, the data from the Im/E characterization study must include taxonomic identifications and a characterization of all life stages of fish, shellfish, and any protected species in the vicinity of the cooling water intake structures. Sufficient data to characterize annual, seasonal, and diel variations in impingement mortality and entrainment related to climate and weather differences, spawning, feedings, and water column migration must be collected and assembled. LADWP must also document the current impingement mortality and entrainment of all life stages of fish, shellfish, and protected species and provide an estimate of impingement mortality and entrainment to be used as the "calculation baseline."

Evaluating this data, once assembled, and determining a compliance option to meet the Rule's performance standards will require three to six months. At this time LADWP would assess which of the Rule's compliance options are a best fit. If it determines that site-specific requirements are appropriate because the cost of complying with the Rule will be "significantly greater" than either the cost that EPA considered in its rulemaking or the benefits of complying with the Rule, LADWP will have to submit the information described in 40 CFR 125.95(b)(6). This includes a Comprehensive Cost Evaluation Study and, for the cost-benefit analysis, a Benefits Evaluation Study. LADWP must also

include a Site-Specific Technology Plan describing and justifying the site-specific requirements.

Assuming LADWP decides that the best way to comply with the Rule is to use design and construction technologies and/or operational measures, in whole or in part, we must submit both a Design and Construction (D&C) Technology Plan and a Technology Installation and Operation Plan (TIOP). These plans must explain the technologies and/or operational measures that are in place and/or have been selected to meet the requirements of the rule and must contain a large amount of information, as described in 40 CFR 125.95(b)(4)(A)-(D). The TIOP itself is an extremely important document, and LADWP expects to use it to determine compliance with the Rule throughout the life of the plant. If LADWP determines that it should use restoration measures to comply with the new Rule, in whole or in part, a Restoration Plan will be provided to you. This must include the information described in 40 CFR 125.95(b)(5). Preparation of the D&C Technology Plan, the TIOP, the Restoration Plan (if it is deemed necessary in order to meet the performance standards and if it remains a viable compliance tool), and the Verification Monitoring Plan will all take considerable time. LADWP expects any type of cost analysis (either cost/cost or cost/benefit), if utilized, and the preparation of the above-identified plans will take three to six months.

LADWP expects the data collection, review and assemblage; the performance of any cost analyses, if necessary; and the preparation of all the necessary plans will take the totality of the 2007 year. For all of the above reasons, LADWP requests that it be allowed until January 9, 2008, to submit the information required for 316(b) Rule compliance.

Because the Rule is new and untried, there will be a tremendous need to coordinate closely with the Regional Board as this effort moves forward to collect the necessary information, analyze it, and determine what combination of technology, operational measures, or restoration measures will best meet the Rule for LADWP's three coastal generating stations.

LADWP hopes that your staff will be available to consult with us over the next several months and years as we complete these efforts.

If you have any questions or comments, please don't hesitate to contact me at (213) 367-0279.

Sincerely,

Susan M. Damron
Manager of Wastewater Quality Compliance

SMD: bdc
c: Blythe Ponek-Bacharowski, Acting Chief Watershed Regulatory Section ✓
Los Angeles RWQCB
Susan M. Damron